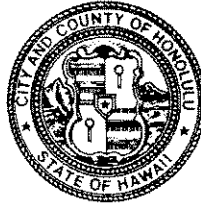


DEPARTMENT OF ENVIRONMENTAL SERVICES  
**CITY AND COUNTY OF HONOLULU**

1000 ULUOHIA STREET, SUITE 308, KAPOLEI, HAWAII 96707  
TELEPHONE: (808) 768-3486 • FAX: (808) 768-3487 • WEBSITE: <http://www.co.honolulu.gov>

MUFI HANNEMANN  
MAYOR



April 9, 2008

ERIC S. TAKAMURA, Ph.D., P.E.  
DIRECTOR

KENNETH A. SHIMIZU  
DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E.  
DEPUTY DIRECTOR

IN REPLY REFER TO:  
WAS 08-113

The Honorable Todd Apo, Chair  
and Members of the Budget Committee  
Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawaii 96813

Dear Chair Apo and Councilmembers:

Subject: Responses to Bill 18 (2008), CD1 Proposed Amendments

The attached is in response to proposed amendments by City Council on the FY 2009 operating budget.

If you have any questions, please call David Nagamine at 847-8310.

Sincerely,

A handwritten signature in cursive script, reading "Eric S. Takamura".

Eric S. Takamura, Ph.D., P.E.  
Director

Attachment

FORWARDED:

A handwritten signature in cursive script, reading "Mary Patricia Waterhouse".

Mary Patricia Waterhouse, Director  
Department of Budget and Fiscal Services

FORWARDED:

A handwritten signature in cursive script, reading "Wayne M. Hashiro".

Wayne M. Hashiro, P.E.  
Managing Director

cc: Office of the Mayor

RECEIVED  
APR 10 9 32 AM '08  
CITY CLERK  
HONOLULU, HAWAII

RECEIVED  
2008 APR 10 A 9:25  
CITY COUNCIL  
HONOLULU, HAWAII

DEPT. COM. 279

BUDGET

BILL 18 (2008), CD1 PROPOSED AMENDMENTS						
FUNCTION/PROGRAM	PROPOSED AMENDMENT	SOURCE OF FUNDS	AMOUNT	CODE	ENV COUNTER - PROPOSAL	ENV COMMENTS
REFUSE COLLECTION AND DISPOSAL	Deletes funding for new positions - 6 refuse collection equipment operators (TA)	WF	-\$274,440	S	\$274,440	Restore funding in support of proposed expansion of curbside recycling program.
	Reduces funding for vacant positions (TA)	GN	-\$689,645	S	\$689,645	Restore funding; proposed cut will remove funding for warm bodies - 32 of 33 funded vacancies are filled or are being filled.
	Reduces funding for vacant position (TA)	WF	-\$26,682	S		No objections to proposed cut.
	Decrease funding for o.c. 3049: Other Services Not Classified (TA)					
	WGSFL - Cell Excavation	WF	-\$981,000	CE	\$981,000	Restore funding; FY07 approx. cost was \$1.5M; proposed cut leaves less than \$1M for this expense. Cost is expected to increase significant due to increased oil costs and contractual increases tied to the CPI.
	WGSFL - Liner	WF	-\$1,100,000	CE	\$1,100,000	Restore funding; FY07 approx. cost was \$616K; cost is expected to increase significantly due to increased oil costs plus contractual increases that are tied to the CPI.
	Ash Residue - Ferrous	WF	-\$1,750,000	CE	\$1,750,000	Restore funding; FY07 approx. cost was \$2.7M; proposed cut leaves less than \$1.75M for this expense; contractual increases are tied to CPI.
	Decreases funding for o.c. 3252: Public Outreach (TA)	WF	-\$50,000	CE		No objections to proposed cut.
	Decreases funding for o.c. 3252 (TA)	WF	-\$100,000	CE	\$100,000	Restore funding; proposed cut will adversely impact new curbside recycling program which requires approx. \$100K for each of the 2 planned phases.
	Deletes salaries appropriation for overtime due to 2nd day pick up (TA)	WF	-\$1,800,000	S	\$900,000	Restore \$900K to provide funding for transition periods (Nov-Dec, May-June) - OT requirements for 2nd day MSW pickup due to implementation of the recycling program and other contingency costs.

BILL 18 (2008), CD1 PROPOSED AMENDMENTS						
FUNCTION/PROGRAM	PROPOSED AMENDMENT	SOURCE OF FUNDS	AMOUNT	CODE	ENV COUNTER - PROPOSAL	ENV COMMENTS
	Cut Consultant Services for technical and financial review for alternative energy RFP - o.c. 3004 (DD)	WF	-\$150,000	CE	\$150,000	Restore funding; planned financial expansion of Hpower facility in excess of \$300M justifies need for technical and financial consultants. It is prudent and customary to engage 3rd party experts to assist the City in projects of this magnitude.
	Cut Consultant Services for Hpower equipment replacement investigation (DD)	WF	-\$150,000	CE	\$150,000	Restore funding; current replacement value of Hpower facility is in excess of \$325M which requires the City to plan for protecting, maintaining and improving this valuable asset. With renegotiation of 20 year operating agreement pending, it is prudent and customary to engage 3rd party experts to assist the City in planning investments and negotiating proper provisions in the operating contract to include securing proper warranties and guarantees.
	Cut other services - not classified (DD)					
	Recycling education events	WF	-\$80,000	CE	\$80,000	Restore funding which pays for programs such as annual Discover Recycling Fair (FY07 \$156K approx.), Tour de Trash, Christmas tree recycling, bulky item collection, community white bins, etc. Cut will provide less than \$80K for these activities.
	Radio/TV/print media outreach	WF	-\$100,000	CE	\$100,000	Restore funding which pays for City programs such as annual Discover Recycling Fair, Tour de Trash, Christmas tree recycling, bulky item collection, community white bins, etc. FY07 approx. costs = \$160K; proposed cut will provide less than \$100K for these activities.
	Proviso: "In the event monies are expended for advertising or publications, the monies shall only be used for advertising and publications printed in black and white format and no monies shall be used if photos of any public officials are included in the advertising or publication."					We do not concur with proviso. Color brochures and advertisements are found to be more effective than "black and white" format brochures (i.e., when informing of color based cart systems). Inclusion of public official's photo and message "legitimizes" brochures from the City.

BILL 18 (2008), CD1 PROPOSED AMENDMENTS					
FUNCTION/PROGRAM	PROPOSED AMENDMENT	SOURCE OF FUNDS	AMOUNT	CODE	ENV COUNTER - PROPOSAL
	Cut vacant funded positions (DD)	WF-GN	-\$542,856	S	\$542,856
	3015: Other Professional Services - reduce funding for "Other attorney fees" (BM)	WF-GN	-\$70,000	CE	\$70,000
	3039: Recycling Services - reduce funding "white goods processing" (BM)	WF-GN	-\$200,000	CE	\$200,000
	3049: Other Services - Not Classified (BM)				
	Reduce funding for "recycling education events"	WF-GN	-\$60,000	CE	\$60,000
	Reduce funding for "Illegal Dumping Prevention"	WF-GN	-\$200,000	CE	\$200,000
	Reduce funding for vacant positions (BM)	WF-GN	-\$282,538	S	\$282,538
	Remaining balance transferred to OPEB (placeholder, contingent on approval of conforming legislation) (BM)	WF-GN	-\$1,096,752	S	
		WF-HP	-\$53,364	S	
	Provision for Energy Costs - eliminate funding (BM)	WF	-\$50,000	CE	\$50,000
	Of the funds appropriated for Refuse Collection and Disposal, at least \$8,000,000 is appropriated for the island-wide comprehensive curbside recycling program. (CD)				
	Transfer to Other Post Employment Benefits Reserve Fund - Increase transfer amounts; proviso "Reserved for funding of new hires" (BM)	WF	\$1,469,080	CE	

Restore funding; proposed cut will remove funding for warm bodies - 32 of the 33 vacant positions are either filled or being filled.

Restore funding which is needed to assist City in its efforts to address the "flow control" issue. It is essential that City not lose the right to direct where refuse is disposed of on the island.

Restore funding. FY07 approx. cost = \$486K; proposed cut will provide less than \$325K for this activity.

Restore funding which pays for City programs such as annual Discover Recycling Fair (FY07 approx. cost = \$156K), Tour de Trash, Christmas tree recycling, bulky item collection, community white bins, etc. Cut will provide less than \$100K for these activities.

Restore funding; needed to assist the community in dealing with illegal dumping prevention and associated cleanup efforts.

Restore funding; proposed cut removes funding for warm bodies; 32 of 33 vacant positions are either filled or being filled

Defer to BFS  
Defer to BFS

We do not concur with proposed cut. This contingency will pay for cost increases due to rising energy costs.

We have no objections to this proposal.

Defer to BFS

BILL 18 (2008), CD1 PROPOSED AMENDMENTS						
FUNCTION/PROGRAM	PROPOSED AMENDMENT	SOURCE OF FUNDS	AMOUNT	CODE	ENV COUNTER - PROPOSAL	ENV COMMENTS
	Transfer to Solid Waste Special Fund for Solid Waste Subsidy - reduce funding (BM)	GN	-\$13,004,697	CE	\$13,004,697	Restore funding. Available funds in Hpower, Glass Recycling and Recycling funds are restricted and can only be used for those activities; revenues from electricity sales are also restricted and can only be used for Hpower activities; proposed reduction in funding for vacant position will remove funding for warm bodies.
WASTEWATER COLLECTION AND DISPOSAL						
Administration	Reduces funding for vacant positions (TA)	SW	-\$59,196	S	\$59,196	Restore funding; proposed cut removes funding for IT support.
	Cut advertising and publication of notices - o.c. 3252 (DD)	SW	-\$75,000	CE	\$75,000	Restore funding which is needed to provide education/outreach about wastewater activities/issues; Info Specialist position recently filled to handle public information function.
	Proviso: "In the event monies are expended for advertising or publications, the monies shall only be used for advertising and publications printed in black and white format and no monies shall be used if photos of any public officials are included in the advertising or publication." (DD)					We do not concur with proviso. Color brochures and advertisements are found to be more effective than "black and white" format brochures. Inclusion of public official's photo and message "legitimizes" brochures from the City.
	Cut vacant funded position (DD)	SW	-\$35,112	S	\$35,112	Restore funding; position being reallocated to provide much needed IT support for GIS.
	Reduce funding for vacant positions (BM)	SW	-\$59,196	S	\$59,196	Restore funding; proposed cut removes funding for IT support.
	Remaining balance transferred to OPEB (placeholder, contingent on approval of conforming legislation) (BM)	SW	-\$59,196	S	\$59,196	Restore funding; proposed cut removes funding for warm body.
Environmental Quality	Reduces funding for vacant positions (TA)	SW	-\$420,994	S	\$420,994	Restore funding; proposed cut removes funding for warm bodies - 16 of 19 funded vacancies (M&C/RC) are either filled or being filled.
	Deletes funding for new positions - 2 civil engineer II positions (for 6 months) (TA)	GN	-\$41,736	S	\$41,736	Restore \$41,736 which funds CE positions for 6-months; positions needed due to expanded work requirements.

Bill 18 (2008) CD1.proposed responses by ENV.d2.xls

BILL 18 (2008), CD1 PROPOSED AMENDMENTS						
FUNCTION/PROGRAM	PROPOSED AMENDMENT	SOURCE OF FUNDS	AMOUNT	CODE	ENV COUNTER - PROPOSAL	ENV COMMENTS
	Deletes funding for new positions community relations specialist IV position (for 6 months) (TA)	GN	-\$29,736	S	\$29,736	Restore \$29,736 which is 6-month funding for Comm. Rltns. Splct. IV position; position needed due to expanded work requirements.
	Reduces funding for vacant positions (TA)	GN	-\$127,248	S	\$127,248	Restore funding; proposed cut removes funding for warm bodies.
	Cut advertising and publication of notices - o.c. 3252 (DD)	GN	-\$70,000	CE	\$70,000	Restore funding; public education/outreach is an integral part of NPDES storm water permit requirements.
	Proviso: "In the event monies are expended for advertising or publications, the monies shall only be used for advertising and publications printed in black and white format and no monies shall be used if photos of any public officials are included in the advertising or publication." (DD)					We do not concur with proviso. Color brochures and advertisements are found to be more effective than "black and white"; limiting to "black and white" severely restricts effectiveness. Inclusion of public official's photo serves to enhance the program's importance.
	Cut vacant funded positions (DD)	SW	-\$568,224	S	\$568,224	Restore funding; proposed cut removes funding for warm bodies - 16 of 19 funded vacancies (M&C/RC) are either filled or being filled.
	Reduce funding for vacant positions (BM)	SW	-\$368,456	S	\$368,456	Restore funding; proposed cut removes funding for warm bodies - 16 of 19 funded vacancies are either filled or being filled.
		GN	-\$127,248	S	\$48,312	Restore \$48,312 to cover funding for warm bodies - 5 of 7 positions are filled or being filled.
	Remaining balance transferred to OPEB (placeholder, contingent on approval of conforming legislation) (BM)	SW	-\$473,532	S	\$473,532	Restore funding; proposed cut removes funding for warm bodies - 16 of 19 funded vacancies (M&C/RC) are either filled or being filled.
		GN	-\$127,248	S	\$127,248	Restore funding; proposed cut removes funding for warm bodies - 5 of 7 positions are filled or being filled.
Collection System Maintenance	Reduces funding for vacant positions (TA)	SW	-\$1,180,796	S	\$590,398	Restore 50% of proposed cut for CSM positions being filled as per approved reorgs/proposed reorgs.

BILL 18 (2008), CD1 PROPOSED AMENDMENTS						
FUNCTION/PROGRAM	PROPOSED AMENDMENT	SOURCE OF FUNDS	AMOUNT	CODE	ENV COUNTER - PROPOSAL	ENV COMMENTS
	Cut vacant funded positions (DD)	SW	-\$1,742,508	S	\$1,128,494	Restore \$1,128,494; proposed cut removes funding for warm bodies (24 positions filled/being filled) and 18 positions being filled as per approved or proposed reorgs.
	Reduce funding for vacant positions (BM)	SW	-\$808,593	S	\$194,579	Restore \$194,579 to cover funding for warm bodies.
	Remaining balance transferred to OPEB (placeholder, contingent on approval of conforming legislation) (BM)	SW	-\$1,552,998	S	\$1,552,998	Restore funding; proposed cut removes funding for warm bodies (24 positions filled/being filled) and 18 positions being filled as per approved or proposed reorgs.
Treatment and Disposal	Reduces funding for vacant positions (TA)	SW	-\$491,798	S	\$491,798	Restore funding; proposed cut will remove funding for warm bodies - 22 of 24 vacant positions are either filled or being filled.
	Remaining balance transferred to OPEB (placeholder, contingent on approval of conforming legislation) (BM)	SW	-\$983,596	S	\$983,596	Restore funding; proposed cut will remove funding for warm bodies - 22 of 24 vacant positions are either filled or being filled.
	Reduces funding for object code #2051 Office Supplies - Chair, executive swivel office (RT)	SW	-\$3,200	CE	\$3,200	Restore funding; \$3200 is for 10 chairs in poor condition and in need of replacement.
	Provision for Energy Costs - eliminate funding (BM)	SW	-\$2,500,000	CE	\$2,500,000	Restore funding which provides contingency for reimburseable expenses (utilities) in Synagro operating contract.
	Transfer to Other Post Employment Benefits Reserve Fund - Increase transfer amounts; proviso "Reserved for funding of new hires" (BM)	SW	\$4,126,280	CE		Defer to BFS.